IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF PUERTO RICO

LUIS A. ACEVEDO GARCÍA,

CIVIL NO:

Plaintiffs

97-2639 (JP)

vs.
ROBERTO VERA-MONROIG
Defendants

REPLY TO PLAINTIFFS MOTION

TO THE HONORABLE COURT:

COME NOW the defendants, the Autonomous Municipal Government of Adjuntas by the undersigned who respectfully **NOTIFY & PRAY**:

- 1. With the exception of the Honorable Secretary of Justice, the Honorable Jaime Barlucea, CPA Hans Mercado, and the undersigned knocked on every door which we thought could assist in obtaining the funds to meet the obligations of the Municipal Government Adjuntas to the plaintiffs.
- 2. Annexed hereto are the individual efforts of CPA Hans Mercado, Esq., economic and financial advisor to the Municipality of Adjuntas and Evelyn Quiñones

Carrasquillo, Esq. legal advisor for the Municipality. We have taken the liberty of translating for purpose of this motion, Mr. Hans Mercado's (Exhibit 1).

- a. A loan by the Government (GDB) Development Bank was requested, evaluated and granted in the amount \$615,000.00. The funds approved were sent to plaintiffs counsel for his distribution. The Municipal government's capability of making other loans for the payment of judgments was reduced to zero.
- b. The Municipality Legislature approved an assignment of \$200,000.00 in the Municipality's budget for the 2007-2008 fiscal year as a precautionary measure. Said precaution was taken to have funds available in the event that the Commonwealth of Puerto Rico pays the judgment and a payment plan is enforced.
 - c. In line with the order of this Honorable Court, the municipal administration presented an Ordinance project so as to amend Ordinance number 20 of 2006-2007 to include in the Municipal budget the sum of \$11,885.000.00 in account #01-03-04-94-70. The amendment was approved.
- d. A meeting was held with several officers of the BGF so as to find payment alternatives for the judgment pursuant to Law 80 and 81 of 2007 which provides the "Fondo de Redención Municipal". The bank officers stated that

said funds have a restricted use and cannot be used for the payments of debts nor judgments.

- e. As to the possibility of obtaining financing for the \$11.8 million dollars from private banking institutions, the BGF officers advised that pursuant the Municipal Financing Law of 1996, Adjuntas has a limited capacity for repayment.
- f. Recently, CRIM notified that due to an adjustment by the Commonwealth of Puerto Rico, the municipalities of Puerto Rico would receive less funding which represents a decrease in the public fund available of over \$600,000.00. Consequently, the municipal administration must make drastic adjustments in its budget and cash flow to minimize the negative impact on its budgetary needs and the basic services and operational needs of its citizens. (Exhibit 2)
- 3. Annexed hereto also is a copy of our letters to all pertinent public officials that can be instrumental in obtaining what is due by law, if not politics.
- 4. What we have not done and will not do, is seek the assistance of a "big gun" lawyer, member of the Popular Democratic Party as suggested by Plaintiff's attorney.
- 6. The problem at hand is one of an economical and financial nature; it is not one of politics. We live in a democratic society where "all men are created equal and there cannot be any discrimination because of one's political affiliation.

7. We have no more at this time and remain.

In Ponce, Puerto Rico this 30th day of October 2007,

I hereby **CERTIFY** that on this date, I <u>electronically</u> filed the foregoing Notice & Motion with the Clerk of the Honorable Court using the CM/ECF system which will send notification of such filing to the following: and to Israel Roldan-González, Esq., 44 Progreso Street, Aguadilla, PR 00603, Lcda. Ana Margarida Julia, Departamento de Justicia, P.O. Box 9020192, San Juan, Puerto Rico 00902-0192.

S/ Lcda. Evelyn Quiñones Carrasquillo

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